EXHIBIT "1"

DJSA Composites • Structural Analysis • Production and Design • Engineering

D.E. JONES & ASSOCIATES, INC.

JONES
EXHIBIT NO. 2
1-30-08 JR

August 24, 2007

Michel O. Weisz, PA
SEGREDO & WEISZ
Suite 1500
9350 South Dixie Highway
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Subject: Viking and Post v. Cook Composites

At the request of Michel O. Weisz I have reviewed the gelcoat application procedures of the Viking Yacht Company and the Post Marine Company for the purpose of determining if the procedures, methods or equipment used in the gelcoat application process varies from that used within the marine industry and whether or not the manufacturing process affected the performance or reliability of the gelcoat product used. I have also reviewed the attached list of documents in preparation to writing this report.

The marine industry today produces hundreds of thousands of fiberglass boats per year[1] all with a gel-coated finish. Gelcoat, as a surface finish has given marine craft the ability to survive exposure to the elements and continued service since the early beginnings of fiberglass boat-building in the early fifties. The common public perception of gel-coated fiberglass boats is that they are basically, maintenance-free and more durable and longer lasting than any other marine coating system. Gelcoat finishes have been and currently are the standard in the production fiberglass marine industry.

Gelcoat cracking is fairly common in the marine industry and yet; is considered a fairly minor problem. Gelcoat cracking issues normally surround small and easily identifiable laminate problems such as too tight of a fit, not enough reinforcement in a corner or feature of the part. Sometimes the underlying problem is a void beneath the gelcoat surface or a delamination of some nature. Gelcoat cracking can also occur during the de-molding cycle when the part is removed from the mold; cracking will often happen in tight or hard-to-pull areas. These areas are mostly cosmetic in nature, mostly hairline cracks and most often are readily repaired as part of the manufacturing process at the builder's facility. Gelcoat cracking is generally a minor issue in the field, once the boat has been sold. Nearly all of the time these issues are localized and are easily remedied and repaired.

Gelcoat cracking can also indicate early failure of a laminate or substructure. In such a case the stress lines which appear in the gelcoated surface are readily definable and may identify discrete structural hard points such as a bulkhead, stringer or frame. These stress cracks are defined as mechanical stress cracks and may represent stress from overloading or possibly a structural weakness. This type of gelcoat cracking represents a design or manufacturing defect. This is not the type of cracks that can be seen on the many Viking and Post vessels represented in the documents provided.

Marine gelcoats, in use since the beginning stages of fiberglass boat-building, are subjected to all sorts of weathering and climates and are in use around the world. Gelcoats will fade in color and lose their gloss through normal weathering which can be abated somewhat through proper

maintenance, cleaning and waxing. Chalking is another weather-related gelcoat phenomenon that can be remedied, most of the time with a good buffing and polishing.

Gelcoat is an accepted marine grade product and has been researched and refined through the years just as resins and reinforcements, perhaps with greater need. The surface of any gelcoated fiberglass part is what can first catch the owner's eye with its gloss and brilliance but at the same time gelcoat is the first line of defense against moisture migration into the bottom of a boat or UV degradation of the laminate of a deck. Gelcoat for marine pleasure craft has long been at the forefront of materials development in the industry; to provide a better moisture barrier, to provide better color and gloss retention all the while striving to retain durability and crack resistance. The gelcoat manufacture of the product used in the Viking and Post vessels has always promoted their products as the best products of this type available and their expertise and knowledge is well respected and referred to throughout the composites industries.

The gelcoat cracking, as seen on vessel # VKY55945H900 at the Viking Facility in New Gretna, New Jersey was global in nature, essentially affecting nearly every gelcoated fiberglass part on the boat The pattern of the cracks was fairly random in orientation and alignment and did not follow the typical lines of mechanical stress or was the result of mold stresses or poor fit or manufacturing defects. The issue was found on resin transfer-molded (RTM) parts using one resin system and on hand-laid open-molded parts using another resin system. Vacuum molded, pressure molded and contact molded parts using a variety of resins on the same vessel exhibiting the same pattern of gelcoat cracking. The only common denominators left in this scenario are the gelcoat used (the same type throughout) and the environment that the boat had existed in.

The Viking Yacht Company and the Post Marine Company have both experienced a high incidence of gelcoat cracking, with the same random pattern found globally all over each boat and on nearly every part made and installed on every boat with this problem. The boats come from all over the country and are exposed to a wide variety of climate and environmental conditions. Each boat has different service and operational duties, different maintenance schedules and operates in various sea conditions and seasonal changes. The only common denominator in this instance is the gelcoat used; all of the same type and all produced by the same manufacture.

Viking and Post have been in business building boats for many years. While Viking produces many more boats than Post, the quality control and fabrication methods used by both companies are nearly the same. Quality checks are made on all the spray and application equipment prior to usage, gel times are checked before the gelcoat material is applied, proper mixing of the gelcoat material is performed before application and all applicators are fully trained and competent in their positions; some of which have been employed in their positions for more than ten years.

I have sectioned, polished and optically examined several samples of laminate which displayed gelcoat cracking from the Viking 55 Hull # VKY55945H900. The samples were removed from portions of the flybridge, venture, aft deck hatch, the foredeck and the transom and from the hull bottom, a total of eight (8) samples each from a different part (molding) in all were inspected. In each case the gelcoat crack extended through the gelcoat and into the skin coat with the exception of two (2) samples which only displayed cracks through the gelcoat and not into the laminate. When gelcoat cracks, for what ever reason, there is an energy that is released at failure. This energy can travel into the underlying laminate causing damage to the laminate The six (6) samples which displayed damage to the underlying skin coat laminate had no visible voids, delamination or other, manufacturing defects that could have caused the failures

Gelcoat failures, cracks of the type and nature found on the Viking and Post boats, are highly uncommon in the marine industry. The occurrence of cosmetic gelcoat cracking is not uncommon in the marine industry but the global nature and magnitude of these cracks is. Historically speaking, an occurrence of this type and the global extent of gelcoat cracking of this type is unheard of; rarely found. It is my opinion that the occurrence of the gelcoat cracking evident in the Viking Yacht Company and the Post Marine Company is a material defect in the gelcoat product itself and not in the manufacturing process of building the parts or the application and handling of the material itself. Gelcoat is expected to last with only minor cosmetic issues of color and gloss fade but not to catastrophically fail as found in the Viking and Post product. Fiberglass boats have been demonstrated to last for decades and with hundreds of thousands of new boats per year being produced in this country alone with near automotive-grade finishes of marine-grade gelcoat and still the incidence of global gelcoat cracking such as found in this case is rare if found at all.

The attached list of documents that I have reviewed is referred to by Doc-numbers where applicable due to the volume of paperwork at issue.

The comments contained herein are based upon the information listed in the attachment and my professional experience in the marine composites industry. I reserve the right to modify these comments as new information comes available.

Respectfully submitted,

David E. Jones, President
D.E. Jones & Associates, Inc.

Attachments: Reference List, C.V.

REFERENCE LIST:

1. Sounding Trade article August 2007 page 70

Deposition of Mark Hollenbeck, Volume I, dated October 26, 2006
Deposition of Mark Hollenbeck, Volume II, dated October 27, 2006
Deposition of Edward Malle, dated October 31, 2006

Cook Composites Application Guide "The Cook Book", various editions

Photographs of Viking and Post vessel showing cracked gelcoat

ASH 0009 - 0034
ASH 01700 – 01735

C1 03968

CCP 02158 - 02162
CCP 02555 - 02562
CCP 02830 – 02842
CCP 03282 - 03313
CCP 03972 - 04023
CCP 04021 – 04024
CCP 04050 – 04098
CCP 04119 – 04126
CCP 04165 - 04201
CCP 04210 – 04217
CCP 04641 – 04650
CCP 04667 – 04671
CCP 04695 - 04697
CCP 04704
CCP 04786
CCP 04847 - 04856
CCP 04876 - 04885
CCP 04811 – 04817
CCP 04867 - 04872
CCP 04907 – 04926
CCP 05038 - 05048
CCP 05059
CCP 05061 - 05062
CCP 05139 – 05150
CCP 05254 – 05267
CCP -05541 - 05553
CCP 06373
CCP 06398 – 06455
CCP 07859 – 07860
CCP 07961 - 07983
CCP 08018 – 08023
CCP 08117 - 08118
CCP 08147 – 08152
CCP 08164 – 08166

CCP 08223 - 08226
CCP 08334 – 08342
CCP 08776 - 08788
CCP 08794 – 08799
CCP 08818 - 08823
CCP 08828 – 08844
CCP 09055 - 09061
CCP 09401 – 09407
CCP 09684 - 09690
CCP 10435 – 10457
CCP 10525 – 10535
CCP 11144 - 11276
CCP 12288 - 12293
CCP 12311 - 12314
CCP 12330 - 12352
CCP 12406 – 12412
CCP 12496 – 12505
CCP 12572 - 12585
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CCP 12618 – 12646
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CCP 12931 – 12981
CCP 12983 – 13025
CCP 13028 – 13045
CCP 13049 – 13063
CCP 13135 – 13170
CCP 13172 – 13200
CCP 13276 – 13284
CCP 13387 - 13393
CCP 14848 – 14973
CCP 15313 – 15325
CCP 15675 - 15748

HK 0001 – 0064

VK 002121 – 002125
VK 003660 – 003661
VK 003723 - 003745